



CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

January 30, 2003

H.R. 346 **American Spirit Fraud Prevention Act**

*As ordered reported by the House Committee on Energy and Commerce
on January 29, 2003*

H.R. 346 would authorize the Federal Trade Commission (FTC) to seek higher civil penalties for unfair or deceptive business practices if businesses exploit the popular reaction to a national emergency. This authority would apply to violations committed within a year after the President has declared a national emergency.

Based on information from the FTC, CBO estimates that implementing H.R. 346 would increase the agency's enforcement costs by less than \$500,000 a year. Any such costs would be subject to the availability of appropriated funds. Under the bill, the FTC also may collect more civil fines, which are classified in the budget as governmental receipts (revenues). However, CBO estimates that any such increase in receipts would be negligible.

H.R. 346 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act and would impose no costs on state, local, or tribal governments.

The CBO staff contact for this estimate is Ken Johnson. This estimate was approved by Peter H. Fontaine, Deputy Assistant Director for Budget Analysis.